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USTR HAILS WTO REPORT

An international trade panel has issued a final report upholding the claims of the United States and four Latin American countries against the European Union's banana trade regulations. Following wire service reports of the decision, U.S. Trade Representative Charlene Barshefsky announced, "I am very pleased that the panel has confirmed our view that Europe's banana import regime is protectionist and discriminatory."

"The decision validates what we have been saying all along -- the EU banana rules simply handed French and British companies a big share of the banana distribution business in Europe that our companies had built up over the years," Ambassador Barshefsky stated.

The United States joined Ecuador, Guatemala, Honduras, and Mexico in challenging the EU regime in the World Trade Organization. The joint complaint included charges, which the panel also sustained, that the EU banana import rules deprived Latin American banana producers of a fair share of the EU market.

Once the findings are approved by the WTO, the United States expects the EU to conform its regime to WTO rules. "This is now the third time Europe's protectionist banana policies have been found to violate international trade rules," said Barshefsky. "We are not interested in any alternatives to real reform."

The WTO case challenges EU banana rules, not actions by Caribbean countries or producers. "The United States remains fully committed to robust economies in the Caribbean," said Barshefsky. "We fully support zero-tariff preferences provided to the Caribbean by the EU on banana trade."

News of the release of the final WTO report was reported earlier today.